Appendix E

Central Coast IRWM Regions Statement of Principles For the Proposition 50 and Proposition 84/1E IRWM Process March 8, 2007

Background

- The State of California proposes to substantially change the Integrated Regional Water Management (IRWM) Grant Program as early as March 20, 2007. These changes could significantly affect planning and implementation of projects throughout the Central Coast Region.
- In an effort to respond to these proposed changes, which include accelerated funding for Proposition 50 and the elimination or reduction of a second round of competitive grants, regional representatives have met and agreed to develop a process to maintain an equitable distribution of IRWM funds throughout the Central Coast. However, due to the limited time available for a full stakeholder process, this statement may be modified upon mutual consent of the planning subregions after a complete stakeholder process.
- Regional representatives have met and agree that their long term interests are best met by working together to develop a coherent approach to benefit all planning sub-regions within the funding area.
- The region is diverse, with geographically distinct sub-regions. Some sub-regions have common/overlapping water related interests, but most water issues are more effectively managed within the six geographic sub-regions.
- Water management interests that are common across the Central Coast funding area have yet to be defined, but may include (but not be limited to) water conservation, water quality monitoring and improvement, fisheries restoration, and drought protection.

Principles

- Cooperate on a regional basis (Central Coast funding area) within the framework of the IRWM process pursuant to Prop 50 (IRWM) and Prop 84 (IRWM).
- To the extent possible, such a process should be consensus based among/across the six planning subregions defined in the Central Coast funding area.
- To the extent possible, geographic areas not currently covered by IRWM Plans should be brought into the IRWM planning process in the future and incorporated into adjacent planning areas.
- The six planning sub-regions (participants) agree to take coordinated action and no unilateral action in seeking Prop 84 (IRWM) funds allocated to the Central Coast area.
- The six planning sub-regions agree to coordinate their actions in seeking further Prop 50 (IRWM) funds, including supporting current changes to the State process, but acknowledge the continued competitive nature of the process.

- Benefits from the various funding sources, taken as a whole, should be shared throughout the funding
 area so that areas that are not funded by Prop 50 are given initial priority in allocating a portion of
 Prop 84 (IRWM) funds, recognizing that these areas must adhere to IRWM standards and guidelines
 and have sub-region and regional stakeholder support.
- The Central Coast region will, under a performance based approach to IRWM planning, continue our efforts to develop regional priorities, which includes providing added priority to projects identified in sub-region IRWM plans not previously funded by Proposition 50, and reach consensus on the equitable allocation of Proposition 84 funds in our region.
- This agreement does not affect a sub-region's ability to apply unilaterally for other recently established State grants, such as Prop 1-E funds, but best efforts should be made to coordinate with other sub-regions so as to avoid direct competition. Other funding processes (such as the State Revolving Fund) are not affected by this agreement.
- Priorities within each IRWM Plan have been determined based on the needs of the sub-region identified through a rigorous outreach and stakeholder process. These priorities were also developed to integrate or be consistent with portions of the Basin Management Plan for the Region and other applicable State and Federal management plans.
- Regional interests intend to develop a process that will address:

The intent of the process

The participants

The decision making process for Proposition 84 (IRWM)

Regional cooperation and communication in accessing funds from other grant programs

The term of the agreement

Role/opportunity for future applicants